

STATE OF SOUTH CAROLINA

(Caption of Case)

Application of Frontier Communications of America,
Incorporated for a Certificate of Public Convenience
and Necessity to Provide Telecommunications
Services Including Basic Local Exchange Service

BEFORE THE
PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA

COVER SHEET

DOCKET

NUMBER: 2010 - 399 - C

(Please type or print)

Submitted by: C. Jo Anne Wessinger HillSC Bar Number: 15025Address: P.O. Drawer 7788Telephone: 803-771-4400(1900 Barnwell Street, 29201)Fax: 803-779-0016Columbia, SC 29202Other: 803-576-3714Email: jhill@richardsonplowden.com

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DOCKETING INFORMATION (Check all that apply)

☐ Emergency Relief demanded in petition ☒ Request for item to be placed on Commission's Agenda expeditiously

☐ Other: _____

INDUSTRY (Check one)	NATURE OF ACTION (Check all that apply)		
<input type="checkbox"/> Electric	<input type="checkbox"/> Affidavit	<input checked="" type="checkbox"/> Letter	<input type="checkbox"/> Request
<input type="checkbox"/> Electric/Gas	<input type="checkbox"/> Agreement	<input type="checkbox"/> Memorandum	<input type="checkbox"/> Request for Certificatio
<input type="checkbox"/> Electric/Telecommunications	<input type="checkbox"/> Answer	<input type="checkbox"/> Motion	<input type="checkbox"/> Request for Investigation
<input type="checkbox"/> Electric/Water	<input type="checkbox"/> Appellate Review	<input type="checkbox"/> Objection	<input type="checkbox"/> Resale Agreement
<input type="checkbox"/> Electric/Water/Telecom.	<input checked="" type="checkbox"/> Application - Amended	<input type="checkbox"/> Petition	<input type="checkbox"/> Resale Amendment
<input type="checkbox"/> Electric/Water/Sewer	<input type="checkbox"/> Brief	<input type="checkbox"/> Petition for Reconsideration	<input type="checkbox"/> Reservation Letter
<input type="checkbox"/> Gas	<input type="checkbox"/> Certificate	<input type="checkbox"/> Petition for Rulemaking	<input type="checkbox"/> Response
<input type="checkbox"/> Railroad	<input type="checkbox"/> Comments	<input type="checkbox"/> Petition for Rule to Show Cause	<input type="checkbox"/> Response to Discovery
<input type="checkbox"/> Sewer	<input type="checkbox"/> Complaint	<input type="checkbox"/> Petition to Intervene	<input type="checkbox"/> Return to Petition
<input checked="" type="checkbox"/> Telecommunications	<input type="checkbox"/> Consent Order	<input type="checkbox"/> Petition to Intervene Out of Time	<input type="checkbox"/> Stipulation
<input type="checkbox"/> Transportation	<input type="checkbox"/> Discovery	<input type="checkbox"/> Prefiled Testimony	<input type="checkbox"/> Subpoena
<input type="checkbox"/> Water	<input type="checkbox"/> Exhibit	<input type="checkbox"/> Promotion	<input type="checkbox"/> Tariff
<input type="checkbox"/> Water/Sewer	<input type="checkbox"/> Expedited Consideration	<input type="checkbox"/> Proposed Order	<input type="checkbox"/> Other:
<input type="checkbox"/> Administrative Matter	<input type="checkbox"/> Interconnection Agreement	<input type="checkbox"/> Protest	
<input type="checkbox"/> Other:	<input type="checkbox"/> Interconnection Amendment	<input type="checkbox"/> Publisher's Affidavit	
	<input type="checkbox"/> Late-Filed Exhibit	<input type="checkbox"/> Report	

BEFORE THE
PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

APPLICATION OF)	
)	
FRONTIER COMMUNICATIONS)	
OF AMERICA, INC.)	
)	DOCKET NO. 2010-399-C
For a Certificate of Public Convenience)	
and Necessity to Provide Telecommunications)	
Services Including Facilities Based Basic Local)	
Exchange Service and For Flexible Regulation)	
of Local Exchange Services and For Alternative)	
Regulation of its Existing Long Distance Service)	
<u>Offerings Authorized by Order No. 96-611</u>)	

**AMENDED APPLICATION OF FRONTIER
COMMUNICATION OF AMERICA, INC.**

Pursuant to §§ 58-9-280(B) and 58-9-10(6) of the Code of Laws of South Carolina, the Rules and Regulations of the Public Service Commission of South Carolina ("Commission") and the federal Communications Act of 1934, as amended by the Telecommunications Act of 1996 ("1996 Act"), Frontier Communications of America, Inc. ("FCA" or "Applicant") respectfully requests that the Commission amend its existing certificate or grant it a certificate of public convenience and necessity to provide local telecommunications services as a new entrant local exchange carrier ("LEC"), including basic local exchange service. FCA seeks statewide authority to provide service as a new entrant LEC.¹ FCA also requests flexible regulation for its local telecommunications services as the Commission first granted in Order No. 98-165 in Docket No. 97-467-C. FCA further requests regulation of its existing long distance offerings in South Carolina authorized by Order No. 1996-611 in Docket No. 1996-094-C so that Order No. 1996-611 shall be modified and the principles and procedures established for alternative regulation in Orders Nos. 1995-1734 and 1996-55 in Docket No. 1995-661-C, and as modified by Order No. 2001-997 in Docket No. 2000-407-C shall apply to FCA and its long distance offerings.

¹ FCA has a certificate of public convenience and necessity to provide intrastate resold telecommunications services within the State of South Carolina in accordance with Order No. 1996-611 in Docket No. 1996-094-C.

In support of this Application, FCA provides the following information:

DESCRIPTION OF THE APPLICANT

1. Name, address and telephone number of Applicant:
Frontier Communications of America, Inc.
1301 Gervais Street, Suite 825
Columbia, South Carolina 29201

2. Correspondence concerning this Application should be directed to:

Afton Ellison
Frontier Communications of America, Inc.
1301 Gervais Street, Suite 825
Columbia, South Carolina 29201
803-254-5736
Email: afton.r.ellison@ftr.com

Joseph J Starsick, Jr., Esquire
Associate General Counsel – Southeast Region
Frontier Communications
1500 Maccorkle Avenue
Charleston, West Virginia 25396
304-344-7644
Email: Joseph.Starsick@ftr.com

South Carolina Counsel:

Steven W. Hamm, Esquire
C JoAnne Wessinger Hill, Esquire
Richardson Plowden & Robinson, PA
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Columbia, South Carolina 29202
803-771-4400
803-779-0016 (FAX)
Email: shamm@richardsonplowden.com
jhill@richardsonplowden.com

3. Questions concerning the ongoing operations of FCA following certification should be directed to:

Afton Ellison
Frontier Communications of America, Inc.
1301 Gervais Street, Suite 825
Columbia, South Carolina 29201

4. FCA is a corporation incorporated under the laws of the Commonwealth of Delaware, and is a wholly owned subsidiary of Frontier Communications, Inc. A copy of FCA's Certificate of Authority to Transact Business in South Carolina is attached as Exhibit 1. The Company's contact for regulatory matters is:

Afton Ellison
Frontier Communications of America, Inc.
1301 Gervais Street, Suite 825
Columbia, South Carolina 29201

5. FCA understands the importance of effective customer service for local service consumers. It will provide the appropriate level of maintenance for its facilities. Repair and maintenance activities will be performed by the same employees responsible for similar activities within the present service territory of Frontier Communications of the Carolinas, Inc., with appropriate accounting for these costs.
6. FCA operates as a local exchange carrier in Alabama, Arizona, California, Florida, Georgia, Idaho, Illinois, Indiana, Iowa, Michigan, Minnesota, Mississippi, Montana, Nebraska, Nevada, New Mexico, New York, Ohio, Oregon, Pennsylvania, Tennessee, Utah, West Virginia, and Wisconsin.

QUALIFICATIONS

7. Applicant's Financial Qualifications. FCA is financially qualified to provide telecommunications services in South Carolina. In particular, the Company has access through its parent Company to the financing and capital necessary to conduct its telecommunications operations as specified in the Application. In support of FCA's Application, attached hereto as Exhibit 2 is a copy of Frontier

Communication, Inc.'s 2009 10-K report filed with the Securities and Exchange Commission. This document demonstrates FCA's financial ability to provide the proposed services.

8. Technical and Managerial Qualifications. FCA's parent company, Frontier Communications, Inc, has provided local telecommunications exchange services in many states through various subsidiaries. In particular, Frontier Communications of the Carolinas, Inc (formerly a part of Verizon Communications of the South) has operated as a LEC within its certificated territory in South Carolina since 1957. Its longstanding experience and expertise in providing quality telecommunications services to in-franchise customers soundly demonstrates its technical and managerial ability to conduct the same kind of operations on an out-of-franchise basis.

PROPOSED SERVICE

9. FCA's Proposed Service Offerings. FCA seeks authority to provide all forms of local exchange telecommunications services, from basic business and residential service to advanced voice and data services. FCA anticipates that it will provide telecommunications services through its own facilities, as well as via resale and unbundled network elements. FCA intends to provide services to subscribers throughout the State of South Carolina. To the extent that areas of South Carolina are served by carriers that qualify as small or rural local exchange carriers under the 1996 Act, FCA will provide such carriers 30 days' advance notice of FCA's entry into their respective service territories, except where any such carrier has its own competitive local exchange carrier operation (either through itself or an affiliate).
10. Underlying Carriers. FCA will negotiate interconnection agreements, as necessary, with the relevant incumbent LECs.

11. Rate Regulation. FCA requests flexible regulation for its telecommunications services as the Commission granted in Order No. 98-165 in Docket No. 97-467-C. In the Order, the Commission determined that local tariff filings would be presumed valid upon filing, subject to the Commission's right within thirty (30) days to institute an investigation of the tariff filing, and that any tariff filings would be subject to the same monitoring process as other similar local exchange carriers. FCA submits that as a competitive provider of local exchange services, it should be subject to regulatory constraints no more stringent than those imposed in Docket No. 97-467-C. FCA respectfully requests that its local exchange service tariff filings be regulated pursuant to this form of flexible regulation.
12. FCA requests that all of its business service offerings be regulated pursuant to the procedures described and set out in Commission Order Nos. 95-1734 and 96-55 in Docket No. 95-661-C, as modified by Commission Order No. 2001-997 in Docket No. 2000-407-C. In these Orders, the Commission determined that there was justification in a competitive marketplace to relax the manner in which AT&T was regulated. The Commission determined that AT&T was not required to file maximum rates for long distance business service offerings and that its tariff filings would be presumed valid upon filing, subject to the Commission's right within seven (7) days to institute an investigation of the tariff filing. It is FCA's intent by this request to have its business services regulated in the same manner as this Commission has permitted for AT&T Communications of the Southern States, Inc. ("AT&T"). FCA submits that as a competitive provider of long distance business service offerings, it should be subject to regulatory constraints no more stringent than those imposed in Dockets No. 95-661-C and No. 2000-407-C and/or on AT&T. FCA respectfully requests that its interexchange business service tariff filings be regulated pursuant to this form of flexible regulation. Specifically, FCA requests that the Commission:
 - a. remove the maximum rate tariff requirements for its business services offerings;

- b. presume that the tariff filings for these uncapped services be valid upon filing. However, if the Commission institutes an investigation of a particular filing within seven (7) days, the tariff filing would be suspended until further order of the Commission; and
 - c. grant FCA the same treatment as AT&T in connection with any future relaxation of the Commission's reporting requirements.
- 13. Commission Rule 103-601(3) provides that "in any case where compliance with any of these rules and regulations introduces unusual difficulty or where circumstances indicate that a waiver of one or more rules or regulations is otherwise appropriate, such rule or regulation may be waived by the commission upon a finding by the commission that such a waiver is not contrary to the public interest." FCA requests that the Commission grant it a waiver of those regulatory requirements which: (1) are inapplicable to competitive local exchange providers; (2) are not appropriate or applicable for competitive providers such as FCA; and (3) constitute an economic barrier to entry into the markets for its offerings. This waiver is requested because such requirements are not consistent with the demands of the competitive market and/or they constitute an undue burden on the competitive provider; thus, resulting in an ineffective use or allocation of resources. As described below, compliance with these specific Commission Rules will "introduce unusual difficulty" for the FCA. Additionally, FCA asserts that granting the waiver requested herein, including all subparts, is "not contrary to the public interest".
 - a. Retention of Records (R. 103-611). Except to the extent that the Rules of the Federal Communications Commission require FCA to keep certain of its books and records in accordance with the Uniform System of Accounts ("USOA"), FCA requests that the Commission allow it to keep all other books and records in conformance with Generally Accepted Accounting Principles ("GAAP"). GAAP is currently used by FCA, as well as other interexchange carriers. The Commission will have a reliable method to

use in evaluating FCA. It would be burdensome to require FCA to comply with this Rule. FCA respectfully requests to be exempt from any and all USOA requirements of the Commission.

- b. Location of Records (R. 103-610). FCA also requests a waiver of the Commission requirement that a utility keep and maintain its records in the State of South Carolina. FCA is headquartered in the State of Connecticut. As a result, it would be impractical for FCA to maintain separate records in South Carolina. If the Commission determines it is necessary to review FCA's books, FCA will provide this information to the Commission or the Office of Regulatory Staff upon request or will bear the cost of any out-of-state travel expenses incurred by Commission or ORS staff. FCA respectfully requests to be exempt from this requirement and be allowed to maintain its books and records at its headquarters located in Stamford, Connecticut.

- c. Publication of Local Exchange Directories (R. 103-631). FCA also requests a waiver of the Commission requirement that it publish and distribute local exchange directories. FCA will make arrangements with the incumbent LECs so that the names of FCA's customers will be included in the directories published by the incumbent LECs. These directories will be distributed to FCA's customers. This approach is entirely reasonable and will have a direct benefit to the customers of both FCA and the incumbent LEC since they need only refer to one directory for a universal listing of customer information. It would be an unnecessary burden on FCA to require that it publish and distribute its own directory to all customers located within each exchange area, particularly since nearly all of these customers will be customers of the incumbent LECs. It is more efficient for FCA to simply include its limited customer list in the existing directories of the incumbent LECs. The LEC directories will include FCA's customer service number.

- d. Filing of Operating Area Maps (R. 103-612.2.3). FCA also requests a waiver of the Commission requirement regarding an operating area map. FCA's local exchange calling areas will initially mirror the service areas of the incumbent local exchange carriers. It would be burdensome to require FCA to comply with this Rule; therefore, FCA hereby respectfully requests a waiver of the map-filing requirement pursuant to Reg. 103-612.2.3.
- e. FCA further reserves the right to seek any regulatory waivers which may be required for FCA to compete effectively within South Carolina's marketplace related to its offerings.

PUBLIC INTEREST CONSIDERATIONS

- 14. Granting FCA a certificate of public convenience and necessity as a new entrant LEC will further the public interest by expanding the availability of competitive telecommunications options in the State of South Carolina. FCA's entry into the local market will not disadvantage any telephone service providers.
- 15. FCA makes the following representations to the Commission:
 - a. FCA possesses the technical, financial, and managerial resources sufficient to provide the services requested;
 - b. FCA's local services will comply with all Commission service standards;
 - c. FCA's provision of local services will not adversely affect the availability of affordable local exchange services;
 - d. To the extent it is required to do so by law, FCA will participate in the support of the universally available telephone service at affordable rates;
 - e. FCA's provision of local exchange services is consistent with the public interest;
 - f. FCA agrees to abide by all applicable statutes and all applicable Commission orders, rules, and regulations.

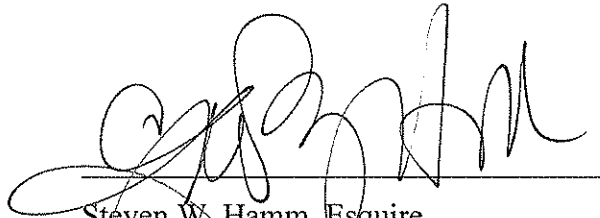
CONCLUSION

For the reasons set forth in this Application, FCA respectfully requests that the Commission grant its Application for a Certificate of Public Convenience and Necessity to operate as a new entrant LEC. Granting such a certificate will enhance competition in the local exchange market, increase options for customers, and stimulate infrastructure investment. The public interest will be well-served through the Applicant's ability to offer a full range of services to communities throughout the State.

The information in this application and exhibits proves that FCA has the financial, technical, and managerial ability to render local exchange and exchange access services as a new entrant LEC. FCA's expertise in the telecommunications market will permit it to offer the most economic and efficient services, thereby providing customers with competitive combinations of price, quality, and customer service.

WHEREFORE, FCA respectfully petitions this Commission for amended authority of its existing certificate as a reseller of long distance telecommunications services in the State of South Carolina, or for authority, to operate as a facilities-based provider and reseller of local exchange services in accordance with this Amended Application, for flexible regulatory treatment of its local exchange services, for alternative regulation of its existing long distance service offerings, and for such other relief as it deems necessary and appropriate.

Respectfully submitted, this 10th day of February, 2011,

A handwritten signature in black ink, appearing to read 'Steven W. Hamm', written over a horizontal line.

Steven W. Hamm, Esquire
C. JoAnne Wessinger Hill, Esquire
Richardson Plowden & Robinson, PA
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Email: shamm@richardsonplowden.com
jhill@richardsonplowden.com

February 10th, 2011
Columbia, South Carolina.

STATE OF SOUTH CAROLINA

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BEFORE THE
PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA

Application of Frontier Communications
America, Inc. for a Certificate of Public
Convenience and Necessity to Provide
Telecommunications Service Including
Basic Local Exchange Service

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Docket No. 2010-399-C

CERTIFICATE OF SERVICE

This is to certify that I, Kathy Templeton, an employee with the firm of Richardson Plowden & Robinson, PA, have on February 10, 2011, served one (1) copy of the Amended Application of Frontier Communication of America, Inc. in the above-referenced matter to the person(s) named below by causing said copy to be deposited in the United States Postal Service, first class postage prepaid and affixed thereto, and addressed as follows:

M. John Bowen, Jr.
South Carolina Telephone Coalition
McNair Law Firm, PA
PO Box 11390
Columbia, SC 29211

Margaret M. Fox, Esq.
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February 10, 2011
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Kathy J. Templeton